



**Annual Legislative Report
Fiscal Year 2010–11**

**Public Transportation Modernization, Improvement, and
Service Enhancement Account Program**

Background

The Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) Program was created by the passage of Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Of the \$19.925 billion available to transportation, \$4 billion dollars was allocated to the California Department of Transportation (Caltrans) for intercity rail projects and for commuter or urban rail operators, bus operators, waterborne transit operators, or other transit operators in California. The PTMISEA Program will provide funding for rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements, or for rolling stock procurement, rehabilitation, or replacement, over a ten-year period.

General obligation bond law requires the administrative agency to submit a report to the California State Legislature no later than January 1st each year. This requirement is found in California Government Code section 16724.4. In addition, this section states that the report shall contain:

- (1) A list of all projects and their geographical location that have been funded or are required or authorized to receive funds.
- (2) The amount of funds allocated on each project.
- (3) The status of any project required or authorized to be funded.

Caltrans has established the Proposition 1B Bond Accountability website and has posted this information related to each project. Caltrans administered programs can be accessed from the Intercity Rail Improvement and the PTMISEA links at this address:
www.bondaccountability.dot.ca.gov/bondacc/

Mass Transportation Program Proposition 1B Bond Fund

Of the \$4 billion available in PTMISEA, \$3.6 billion is to be allocated to transit operators over a ten-year period. The PTMISEA Program was designed to help advance the State's policy goals of providing mobility choices for all residents, reducing congestion, and protecting the environment. Guidelines for the PTMISEA Program were developed through a cooperative effort with stakeholders. Eligible transit projects include:

- Rehabilitation, safety, or modernization improvements.
- Capital service enhancements or expansions.
- New capital projects.
- Bus rapid transit improvement.
- Rolling stock procurement, rehabilitation, or replacement.

Status

To date, the PTMISEA Program has released \$927 million for 479 projects. The following is a breakdown by Fiscal Year (FY):

FY 2007–08

Cycle	Number of Projects	Funds Requested
Cycle 1	106	\$394 million
Cycle 2	99	\$136 million
Total for FY 2007–08	205	\$530 million

FY 2008–09

Cycle	Number of Projects	Funds Requested
Cycle 1	107*	\$255 million
Cycle 2	111**	\$64 million
Total for FY 2008–09	218	\$319 million***

*Of the 107 projects, 24 were existing projects already underway with 2007–08 funds.

**Of the 111 projects, 12 were existing projects already underway with 2007–08 funds.

***Due to the delay of bond sales, FY 2008–09 Cycle 1 funds were released to project sponsors July 2009 and FY 2008–09 Cycle 2 funds were not released to project sponsors until June 2010.

FY 2009–10

Cycle	Number of Projects	Funds Requested
Cycle 1	130	\$78 million
Total for FY 2009–10	130	\$78 million

Of the 130 projects, 38 were existing projects already underway with 2007–08 or 2008–09 funds. These funds were released to project sponsors March 2011.

Due to the lower than expected bond sales, the funds released to date have all come from the FY 2007–08 and FY 2008–09 appropriations.

FY 2010–11

Cycle	Number of Projects	Funds Requested
Cycle 2	<u>138</u>	<u>\$214 million (awaiting funding)</u>
Total for FY 2009–10	138	\$214 million

Currently there are 138 projects pending an allocation of \$214 million anticipated in September 2011. There are an additional 234 projects requesting \$1.1 billion in FY 2010–11 funding, ready to proceed, waiting to be funded by future bond sales.

Attachment 1 lists all projects that have received an allocation of funds to date and the status of each.

The following table illustrates the current totals for percentage complete:

Percent Complete	Count
100%	197
75-99%	68
50-74%	30
Less than 50%	184
Total	479

Intercity Rail Program Proposition 1B Bond Fund

The guidelines for the Intercity Rail Improvement Program (IRI) were adopted by the California Transportation Commission (Commission) on December 13, 2007. The IRI Program provides \$400 million, upon appropriation by the California State Legislature, to Caltrans for intercity passenger rail improvement projects. Of that total, a minimum of \$125 million is designated for procurement of additional intercity passenger railcars and locomotives.

At its February 2008 meeting, the Commission programmed 12 projects, including the railcar and locomotive procurement, for the IRI Program. During FY 2010–2011, 2 additional projects were programmed into the IRI for a total of 14 projects. To date, a total of \$94,402,000 has been allocated to projects. Six projects have received full allocations, three have received partial allocations and five other projects are planned for future allocations as funds become available from the sale of bonds. The summary of the status of these projects is shown on Attachment 2.